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## NORTH-AMERICAN REVIEW.

*Observations on the effects of the Corn Laws, and of a rise or fall in the price of Corn on the agriculture and general wealth of the country. By the Rev. T. R. Malthus, professor of history and political economy in the East India College, Hertfordshire. Third edition, London, pp. 47.*

THIS pamphlet contains an impartial but very brief statement of the general arguments on the policy of the Corn Laws. It is indeed the abstract theory, if we may so say, of those Laws, without descending into any details or calculations of much consequence, and with a few remarks to suit it to this particular season, it has very much the appearance of being copied from one of the learned professor's lectures at the India College. We presume, nevertheless, that other paragraph-makers have already condescended to supply these deficiencies of Mr. Malthus, and we doubt not that according to the usual industry of the British metropolis, several hundred ponderous pamphlets have breathed their last, before this time, in the same good cause. We regret, however, not having been able to see another pamphlet since published by Mr. Malthus on the same subject, and which, we understand, recommends more strongly than the present one, the necessity of restrictions on importation. The well known sagacity, candour, and moderation of this gentleman on every thing which relates to political economy; and his situation in life, beyond the influence of the prejudices of habit or interest, or ministerial patronage, give to all his opinions the strongest claim to attention. Before giving a more enlarged account of this subject, which has often created the greatest agitation, and produced the most conflicting opinions in France and England, we presume a short sketch of the History of the Corn Laws may not be unacceptable.

The first very certain information, which we have about the Corn Laws in England is in the reign of Henry VI.

Permission was given by Parliament in 1461 to export wheat, when it should be 6 shillings and 8 pence per quarter. 'The inland commerce of corn was also opened in 'the 18th of the same king by allowing any collector of the 'customs to grant a license for carrying it from one county\* to another.'† In 1612 directions were given to the king's officers to purchase corn for the purpose of establishing magazines, when the price should be below 32 shillings. Considering the relative value of other articles, this appears to be a great price for those times. In 1753,‡ on a complaint from the exporters of corn, that the bounties were not paid, a bill was passed that an interest of 3 per cent. should be allowed upon every debenture for bounty till the principal was paid. In the four or five§ following years the high price of corn occasioned frequent riots, in which many lives were lost, and a large amount of property destroyed. During that period the Legislature forbid the exportation of grain, removed the restriction upon the importations, and prohibited the distillers from using wheat. The scarcity is attributed to the ||'regratters, fore-stallers, and engrossers of corn.' But in 1773 Mr. Burke's celebrated bill repealed all former acts of the Legislature, and corn was allowed to be exported when below 44 shillings, and imported when above 48 shillings. Adam Smith¶ pronounces this the best bill which could be made in the circumstances of the country. In 1804 importation was admitted at above 63 shillings, and exportation below 48. The twelve maritime counties regulated the price. Since that the distillers have been prohibited from using grain for a short time. The object of the present bill is to prevent importation except the price should be above 80 shillings the quarter. The first reading of the bill was had last February, and passed by a vote of 235 in favour of the restrictions, and 35 against them. The third reading was passed, we believe, last March by an increased majority. In the House of Lords a protest of 11 peers was entered; signed, however, by no member of much political consideration. Lord Lauderdale, who is esteemed one of the best informed economists in that body, and who, we ob-

\* Hume, vol. iii. p. 215.

† Ibid. vol. vi. 175.

‡ Smollet, vol. iii. p. 345.

§ Smollet, vol. iv. p. 32.

|| Smollet.

¶ Chap. v. b. iv. *Wealth of Nations*.

serve by the list of publications, has written a pamphlet upon the subject, voted in favour of the bill. These are the principal facts in the history of the English Corn Laws. It is very well known, however, that Corn Laws are not a recent contrivance of Legislators. They were adopted by several nations of antiquity, and among others by the Athenians, who were forbidden to export corn from Attica; and all who brought it from foreign countries, were compelled to carry it to the market at Athens. The citizens were also prohibited from buying more than a certain quantity, but the price should be raised above the ordinary rate, which was about 3s. 9d. sterl. a bushel. We may as well observe, that the late discussion of the Corn Laws involved no allusion to party feelings or views.

Mr. Malthus begins this pamphlet by a statement of the argument of A. Smith\* respecting the influence of corn upon the price of labour, and an exposition of the erroneous principles upon which it rests. This doctrine of Dr. Smith has been exploded several years, and there are various publications† in which hints and conjectures of its inaccuracy are developed, though excepting the edition of that author lately published by Mr. Buchanan of Edinburgh, we do not recollect to have seen so formal a refutation of it as the present one of Mr. Malthus. It is immediately obvious that the influence of corn upon the price of labour is one of the most important points of view in which this question can be considered. This therefore must be our apology for repeating the arguments of Mr. Malthus and other writers upon this interesting subject. ‘The substance of his (A. Smith) argument is, that corn is of so peculiar a nature, that its real price cannot be raised by an increase of its money-price: and that, as it is clearly an increase of real price alone, which can encourage its production, the rise of money-price, occasioned by a bounty, can have no such effect.

‘It is by no means intended to deny the powerful influence of the price of corn upon the price of labour, on an average of a considerable number of years; but that this influence is not such as to prevent the movement of capital to, or from the land, which is the precise point in question,

\* *Wealth of Nations*, ch. 1, 2, 3, b. I.

† Among others, see chap. 10, *Malthus on Population*.

‘will be made sufficiently evident by a short inquiry into the manner in which labour is paid and brought into the market, and by a consideration of the consequences to which the assumption of Adam Smith’s proposition would inevitably lead.’ The expenditure of the lower classes does not consist altogether in food, and still less in grain; it is composed of the articles of house-rent, fuel, soap, candles, tea, sugar, clothing, meat, milk, butter, cheese, and potatoes. It is calculated that the proportion of bread is 2 parts in 5 of the whole consumption, and though these ‘divisions’ are liable to considerable variations, it is apparent that the ‘division’ of corn, so far from regulating the price of labour, has only an adjusting power of 2-5ths, and even still less, (if it was necessary to make such close calculations) since several divisions in the scale are articles of foreign growth, where the influence of the price of corn in the importing country cannot be felt to the same degree. As a still farther proof that corn and labour rarely preserve an invariable proportion, it is only necessary to observe the manner in which a market is supplied with labour. In general the price of commodities is regulated by the demand and the supply, and unless the consumer is willing to pay a fair value for the commodity, it is withdrawn; or the next year the supply is only accommodated to the number of those who are willing to pay this value. But in the case of labour the operation of withdrawing the commodity is necessarily slower and more painful. The same supply of labour must continue in the market not only the next year, but many years to come; consequently, if the advanced price of provisions is not so great that the labourer can but support his family, he will continue to suffer a gradual diminution of his wages, till a suspension in the progress of population causes the market to be understocked with labour;—in which case a competition for labour will restore in some degree the proportion between the price of provisions and labour. A contrary effect happens when a scarcity of labour raises its price beyond the just level;—this is obviously relieved by an increase of population, and the value of labour is sunk down to a corresponding balance with the value of provisions. The last argument, and which to our minds is perfectly conclusive, is thus stated by Mr. Malthus:

‘If we suppose that the real price of corn is unchangeable, or not capable of experiencing a relative increase or decrease of value, compared with labour and other commodities, it will follow, that agriculture is at once excluded from the operation of that principle, so beautifully explained and illustrated by Adam Smith, by which capital flows from one employment to another, according to the various and necessarily fluctuating wants of society. It will follow, that the growth of corn has at all times, and in all countries, proceeded with a uniform unvarying pace, occasioned only by the equable increase of agricultural capital, and can never have been accelerated, or retarded, by variations of demand. It will follow, that if a country happened to be either overstocked or understocked with corn, no motive of interest could exist for withdrawing capital from agriculture in the one case, or adding to it in the other, and thus restoring the equilibrium between its different kinds of produce.’

Of the numberless facts illustrating the error of the doctrine, that “labour is the standard measure of value,” and “corn is the measure of labour,” we shall mention only one—both because it is a remarkable proof of the opinion now universally entertained, and also a melancholy instance of the pernicious effects of “system” upon a mind so acute and mathematical as that of Adam Smith.

‘From the reign (1327) of Edward III. to the reign (1485) of Henry VII. a day’s earnings, in corn, rose from a peck to near half a bushel;—and from Henry VII. to the end (1603) of Elizabeth, it fell from near half a bushel to little more than half a peck.’ In the III. of Edward corn once rose 13 times its value.\*

If we need farther evidence, what can be more conclusive than the condition of our country, where wages of labour are high, food generally cheap, and clothing generally dear. This circumstance, mentioned by A. Smith,† and which would somewhat have embarrassed that sagacious author, if he had always reasoned from his own data, is sufficiently explained to every schoolboy in the nation by the abundance of land, the thinness of population, extent of commerce, &c.

From the observations already made, we believe, that we are entitled to consider corn as subject to no very pe-

\* Davenant, p. 81.

† Wealth of Nations, ch. 8. b. 1.

culiar laws, and in discussing the policy of a system of corn laws, it is chiefly necessary therefore to attend to the common principles which have an influence in diverting the resources of a nation.—For this purpose, Mr. Malthus makes the three following divisions.

‘First, Whether, upon the supposition of the most perfect freedom of importation and exportation, it is probable that Great Britain and Ireland would grow an independent supply of corn.

‘Secondly, Whether an independent supply, if it do not come naturally, is an object really desirable, and one which justifies the interference of the legislature.

‘And, Thirdly, If an independent supply be considered as such an object, how far, and by what sacrifices, are restrictions upon importation adapted to attain the end in view.’

Upon the first point Mr. Malthus quotes from the evidence given in the house of commons, by which it appears that the bullion prices of corn at Dantzick the last four or five years have not exceeded “32 shillings a quarter,” and the Baltick merchants have expressed an opinion, that if a permanent market could be secured in London, corn would be raised expressly for it. It also appears from the same evidence, that during the same period the price of corn has been in London 78 or 80 shillings, and even at that rate it was cheaper to import some corn than to devote more capital to the land. This remarkable difference of price is sufficiently accounted for by the immediate accumulation of manufacturing and commercial population and capital, compared with those of any other country in Europe, the great profits resulting from these investments of property; also, the heavy weight of taxes, the expenses of enclosures, and the high price of labour, which upon an average is more than double that of any people in Europe. We may also remark that in 1804\* the limit below which importation was not allowed was 63 shillings. That in the 13 years ending in that period the average price was 62 shillings, and notwithstanding they paid during that time 30,000,000*l.* for grain to foreign nations. We shall here copy, as farther confirmation, a few results from a table published by order of parliament; not having room for the whole, we can only make a short average.

\* Annual Register for 1804.

Years	IMPORTED.		EXPORTED.		
	Corn.	Meal & Flour.	Corn.	Meal & Flour.	
	Quarters.	Cwt.	quarters	Cwt.	
1792	642596	7757	357489	174729	Years of uncommon scarcity.
1793	1088781	211538	79430	115740	
1794	1066243	13013	153265	139909	
1795	463939	124239	17643	66444	
1801	2037814	1123714	28617	94814	
1802	751004	252736	144745	160813	
1803	597484	309569	114006	105233	
1804	925755	17072	188019	120179	
1812	243333	53038	137530	83195	
1814	945587	82165	170145	286189	
1815	945587	82165	146851	285140	

From this it is apparent how great the excess of importation is above exportation, though it has decreased latterly. The importation from Ireland is of course not here included. In 1764,\* corn was allowed to be exported from France only, however, in French vessels and manned with French sailors, and as far as we have been able to ascertain this law has never been repealed. Considering, that the importation limit is now proposed to be adjusted to 80 shillings, the lowest rate by which the farmer can at present be protected, and considering also that by an ‘universal freedom of importation and exportation,’ ‘equalizing’ the price of corn in all the markets of Europe, assisted by the increased quantity which America could send advantageously to her own commerce, it will be found, according to the opinion of Mr. Malthus, that the average price in the London market would not exceed 45 shillings. With these views and statements before us, we confess that we do not see in what way the opinion of Mr. Malthus which we are about to quote, can be resisted.

‘Nothing can be more certain, than that if the prices of wheat in Great Britain were reduced by free importation, nearly to a level with those of America and the continent, and if our manufacturing prosperity were to continue increasing, it would answer to us to support a part of our present population on foreign corn, and nearly the whole probably of the increasing population, which we may naturally expect to take place in the course of the next twenty or twenty-five years.’ pp. 22, 23.

\* Minutes of Evidence.



The second point proposed by Mr. Malthus certainly embraces the most interesting details, and as no such 'freedom' can be expected (which is the groundwork of the last proposition,) the consideration of the present 'division' is undoubtedly the most important of all.

'The general principles of political economy teach us to 'buy all our commodities where we can have them the cheapest; and perhaps there is no general rule in the whole compass of the science, to which fewer justifiable exceptions can be found in practice. In the simple view of 'present wealth, population, and power, three of the most 'natural and just objects of national ambition, I can hardly 'imagine an exception; as it is only by a strict adherence 'to this rule that the capital of a country can ever be made 'to yield its greatest amount of produce.' p. 23.

The advocates of the Corn Laws have therefore to prove, that the present is a proper exception, which at once reduces it to a 'junction of advantages and disadvantages,'—and which would be no very difficult matter, provided they were allowed to establish their axiom by the notions and practices, which have prevailed for centuries in the intercourse of all the countries of the world. The fact is, that the commercial code of the European nations in particular is merely a budget of restrictions, bounties, and drawbacks. The natural level of trade is every-where disturbed and diverted by the contrivances of legislators; and the necessity of raising a revenue, the satisfaction of distressing an enemy, or a temporary suffering at home, have gradually reconciled the economists to the relinquishment of the most beautiful as well as leading principles in their science. For many years England has suffered no manufacture of any foreign nation, except Russian 'crash,' and a few other coarse articles, to enter its ports; the commercial interest has also been creating to itself a most unrelenting monopoly by the various 'orders' and kinds of navigation acts. The numerous bounties and indulgences to trade and manufactures the agricultural interest has submitted to, whether from ignorance, patriotism, or interest, we have not time to inquire; but it may be a subject of surprise, that while the two first 'interests' have been fortified in every possible way against the participation of strangers, the agricultural interest should at this moment be in a great measure forsaken, and exposed to a partial ruin by the competition of

foreign produce ; and especially when the ‘gross value’\* derived from the land constitutes more than half the income of the British empire. To this the specious reply may be made, that the political situation of Europe the last thirty years, has given the farmers more than an equable share of advantages ; and therefore in the present change they are only suffering the same hardship to which all speculators are exposed. If this were true, which is not altogether the fact, it does not acquit the legislature of the evident injustice of first encouraging too much, and then neglecting to take proper precautions for the protection of the farmers.

‘By protecting duties, drawbacks and taxes on almost all foreign commodities, capital is prevented from leaving those trades, the prices of the products of which have been increased by domestick taxation : while, if the ports were thrown open to the free admission of foreign corn, agriculture would be exposed to the loss of capital, occasioned by the competition of foreigners, who not being burdened by the same weight of taxation, would possess the most obvious advantages in the contest with our home growers. It may fairly indeed be said, that to restore the freedom of the corn trade, under these circumstances, is not really to restore things to their natural level, but to depress the cultivation of the land below its natural proportion to other kinds of industry. And though, even in this case, it might still be a national advantage to purchase corn where it could be had the cheapest ; yet it must be allowed that the owners of property in land would not be treated with strict impartiality.’ p. 35.

Neither do we think it a fair argument on the part of the manufactures, that notwithstanding their protecting duties, the articles of their manufacture could not be made so cheap in any other country,—if so, where is the necessity of protecting duties ? But it must be true that when these restrictions were imposed, England could not support a competition ; and even now, we imagine, the Americans could carry her some articles of India manufacture cheaper than she could make them herself.

\* The whole annual produce is estimated at 430,000,000*l.* ; of this the product of agriculture is 216,000,000. In a population in England alone of about 13,000,000, about 6,000,000 are agricultural. See Colquhoun’s treatise, &c.

We readily admit with A. Smith (chap. v. b. 4,) and Mr. Malthus, (pages 26 and 27,) that neither bounties nor restrictions produce either cheapness, or what is of more consequence, steadiness of price. But we may make here a short statement of the average prices of corn the last two hundred years, principally as an instance of the frequent and striking discordance between fact and reason, if we will not take the trouble to reconcile them by the melancholy assistance of wars, famines, revolutions, and taxes, as is deplorably necessary in the present case.

	<i>s. d.</i>
The average price of wheat from 1605 to 1670* was about	37
In 1670, slight protection taken for farmer, average for 18 years	36 7
From 1690 to 1750, average about	36
Corn Laws altered in 1757, and in a great measure suspended in 1773, the average the 40 years of the last century was about	49 5

To counterbalance the advantages of a free trade in corn, 'it is alleged,' says Mr. Malthus, 'that security is of still more importance than wealth, and that a great country, likely to excite the jealousy of others, if it become dependent for the support of any considerable portion of its people upon foreign corn, exposes itself to the risk of having its most essential supplies suddenly fail at the time of its greatest need. That such a risk is not very great will be readily allowed. It would be as much against the interest of those nations which raised the superabundant supply, as against the one which wanted it, that the intercourse should at any time be interrupted; and a rich country, which could afford to pay high for its corn, would not be likely to starve, while there was any to be purchased in the market of the commercial world.' The first answer to this paragraph is made by Mr. Malthus in his *Essay on Population*, chap. 10; the same ideas are faintly repeated in several parts of this pamphlet. 'There cannot be a doubt that in the course of a few years, (now, 1813) we shall draw from foreign countries 2,000,000 quarters of wheat annally. If under these circumstances any commercial discussions should arise with those countries, with what a weight of power they would negotiate! The periodical return of such seasons of dearth as those we have lately experienced, I consider as absolutely certain upon our present importing system. I would ask, is it politick mere-

\* Minutes of Evidence, and Malthus on Population, chap. 10.

‘ly with a view to our national greatness, to render ourselves thus dependent upon others for support, and put it ‘in the power of a combination against us to diminish our ‘population 2,000,000?’ To prevent these disasters, I see ‘no other way at present than a system of Corn Laws,’ &c. In a note to the same chapter, ‘There has never yet been ‘an instance in history of a large nation continuing with ‘undiminished vigour to support 4 or 5,000,000 of its population on imported corn. In spite, however, of the peculiar advantages of Great Britain, it appears to me clear, ‘that if she continues yearly to increase her importation of ‘corn, she cannot escape that decline,’ &c. Events have shown that there is considerable more apprehension than truth in these forebodings; but as a proof that they are not altogether visionary, it should be recollected that Prussia several years since laid a high duty upon the export of corn from her ports, when there was an alarming scarcity in Great Britain. We should moreover bear in mind the restrictive system adopted in this country. Our sapient notion of starving John Bull, is really a very thread bare story among the ambitious projects and machinations of our republick; and though contrary to all human experience and calculation he did escape starvation outright, we could make him at least pay higher prices for his corn, and perhaps force him to the necessity of raising for himself. The expectation of this necessity is therefore a powerful argument on the side of the Corn Law advocates. A nation neither can, nor always ought, to bend to its interest; and it is as impossible to curb the bursts of sudden indignation or the rancour of long nourished prejudices, as it is to calculate the consequences of them. England with such means of power and oppression, so liable to provoke jealousy and hatred, perhaps risks too much if she trusts to other nations the feeding of 3 or 4,000,000 of her population. Besides, corn is not like most other commodities, of which the deprivation for a few months only occasions a little suffering. A suspension of the usual supply for half a year may bring about the most frightful commotions and misery, and though we do not undertake, as we have already said, to insure absolute starvation, it would cost the nation at any rate a few broken heads and broken windows.

How many facts and confirmations does the history already ended of a great nation furnish to theories and con-

jectures. We cannot help alluding here to the fate of Rome, though we are very far from saying that Rome was subverted by depending upon Egypt for its supply of corn, or that the distribution of it among the people was one cause of their corruption; but those different circumstances occurred about the same time;—and in such speculations we are not only apt to blend the cause and the effect, but also to judge of the fate of different institutions, in far different times, by a rule borrowed from what ever affords the most conspicuous example of decay.

Nam qua dabat olim  
Imperium fasces, legiones, omnia, nunc se  
Continet, atque duas tantùm res anxias optant,  
Panem et circenses.

‘According to the returns made to Parliament in the course of the last session, the quantity of grain and flour exported in 1811 rather exceeded, than fell short of, what was imported: and in 1812, although the average price of wheat was one hundred and twenty-five shillings the quarter, the balance of the importations of grain and flour was only about one hundred thousand quarters. From 1805, partly from the operation of the Corn Laws passed in 1804, but much more from the difficulty and expense of importing corn in the actual state of Europe and America, the price of grain had risen so high, and had given such a stimulus to our agriculture, that with the powerful assistance of Ireland, we had been rapidly approaching to the growth of an independent supply. Though the danger therefore may not be great of depending for a considerable portion of our subsistence upon foreign countries, yet it must be acknowledged that nothing like an experiment has yet been made of the distresses that might be produced, during a widely-extended war, by the united operation of a great difficulty in finding a market for our manufacturers, accompanied by the absolute necessity of supplying ourselves with a very large quantity of foreign corn.’ pp. 28—30. We have not introduced these remarks of Mr. Malthus as any thing like principles, because the high price of grain, &c. doubtless arose from political events—but principally for the sake of present argument, to show the capability of Great Britain to supply itself during the

most expensive and disheartening period of her war with France; and also to show what is meant by the ‘powerful assistance’ of Ireland, a subject entirely passed over in this short pamphlet, but which, as far as we are able to judge, deserves to have considerable weight. \*It is well known that Ireland possesses much fertile land, though now more occupied in pasture than is profitable. It is besides well known, that the inhabitants are badly fed, badly clothed, and badly governed. The proportion of them, however, in 1809, was 4,000,000 agricultural, in a population of 6,000,000; the quantity of cultivated land had largely increased, the wages of labour, which are (1809) now 10 1-2*d.* per day, have increased more than a third the last thirty years, a greater increase than was ever before known in the same period. These highly beneficial effects are solely to be attributed to the extension of her export trade of corn, and not to any increase of her manufacturing capital, because the export† of linen, the manufacturing ‘staple,’ has decreased the last ten years.

		Quarters.
The four years‡ ending 1704, the export of wheat from	}	7,106
Ireland was annually,		
The fifteen years of the present century,§ it is annually,	}	550,342
upon an average,		

This export is independent of flour and meal, of which the export in 1814, was 188,385 cwt. The benefits had been reciprocal, and we find that the article of woollens exported to Ireland from Great Britain had increased from 2,100,000 yards to 3,790,000|| annually, from 1805 to 1814. It is the opinion of Mr. Newenham that corn can be brought from Ireland as cheap as from any part of the world, and considering the number of uncultivated acres, the fertility of the soil, and the cheapness of labour, this appears a very fair opinion. Such a trade, besides rendering Great Britain independent in some measure for her corn, possesses the rare advantage of employing two capitals in the same country; a trade generally speaking, of all others the most lucrative.¶ For very ample details upon the increase of agriculture in Ireland, the improved condition of the peasantry in consequence of it, and her ability to supply

\* Newenham and Wakefield, *passim*. † Newenham, Appendix. ‡ *Ibid*.  
 § Table published by Parliament, already referred to. || Minutes of Evidence.  
 ¶ Wealth of Nations, chap. 5. b. 2.

Great Britain and the colonies with a much greater quantity of corn than has yet been drawn from her, we beg leave to refer our readers to the works of Mr. Newenham and Mr. Wakefield, particularly the last.

Mr. Malthus is fully convinced of the danger to be apprehended to national tranquillity and happiness, from an excessive proportion of manufacturing population, and he says, 'With a view to the permanent happiness and security from great reverses of the lower classes of people in this country, I should have little hesitation in thinking it desirable that its agriculture should keep pace with its manufactures, even at the expense of retarding in some degree the growth of manufactures.' The wages of the manufacturing class are exposed to incessant and cruel fluctuations—from the breaking out of war—the restoration of peace—caprice, fashion, and a thousand motives which it is obviously impossible can be under the control of a government. These variations frequently beset and overpower this unfortunate class with a rapid alternation of poverty and debauchery, both equally wasting, and alike pernicious to morality and happiness—the best, and among the lower classes, the only safeguard of which is regularity and constancy of employment and profit. However much we may deprecate fluctuations of wages in the manufacturing population, a similar liability in the agricultural community is more permanently injurious. This, then, we conceive to be one of the strongest arguments for the necessity of Corn Laws in Great Britain. An 'interest' which provides so large a proportion of the whole food of the nation, upon whom every man more or less depends for his daily subsistence, ought from every consideration of prudence to be placed above the changes by which all other 'interests' are tossed about. It is surely a criminal want of proper foresight and insight to place the existence of so large a proportion of the population, as would now depend upon foreign supplies, if no corn laws were adopted, within the caprice and pleasure of foreign nations. 'Thou shalt not muzzle the ox that treadeth out the corn.' The sudden and terrific fall of wheat from 125 shillings to 45 shillings, was necessarily followed by great alarm and distress. The farmers were obliged to dismiss their labourers; they could not pay their rents, and a bankruptcy of a considerable portion appeared inevitable. These appearances,

were still more striking and afflicting in Ireland, where, as before mentioned, the increase of agriculture has been very rapid since the beginning of this century. Such a situation justifies the temporary interference, at any rate, of the government. During the war, capital was every moment accumulating upon agriculture; the profits were certain, and the value of rents rose so rapidly that landlords got the habit of letting their lands only for one year—a pernicious scheme, and the shortest way to bring back again the unproductive days of the ‘cottagers.’\* We have only applied the doctrine contained in the following passage.

‘It may be observed, that though it might by no means be advisable to *commence* an artificial system of regulations in the trade of corn; yet if, by such a system already established and other concurring causes, the prices of corn and of many commodities had been raised above the level of the rest of Europe, it becomes a different question, whether it would be advisable to risk the effects of so great and sudden a fall in the price of corn, as would be the consequence of at once throwing open our ports. One of the cases in which, according to Adam Smith, “it may be a matter of deliberation how far it is proper to restore the free importation of foreign goods after it has been for some time interrupted, is, when particular manufactures, by means of high duties and prohibitions upon all foreign goods, which can come into competition with them, have been so far extended as to employ a great multitude of hands.”’† p. 34.

We now come to the third and last proposition.

‘The evils which must always belong to restrictions upon the importation of foreign corn, are the following :

‘1. A certain waste of the national resources, by the employment of a greater quantity of capital than is necessary for procuring the quantity of corn required.

‘2. A relative disadvantage in all foreign commercial transactions, occasioned by the high comparative prices of corn and labour, and the low value of silver, as far as they affect exportable commodities.

‘3. Some check to population, occasioned by a check to that abundance of corn, and demand for manufacturing

\* Wealth of Nations. Digression concerning value of silver, &c.

† Wealth of Nations, b. iv. c. 2, p. 202.



‘labourers, which would be the result of a perfect freedom of importation.

‘4. The necessity of constant revision and interference, which belongs to almost every artificial system.’ pp. 36, 37.

These are certainly real evils. By taking more capital to raise at home the necessary quantity of corn than it would cost in a foreign country, the substance of the first ‘evil,’ we raise in like degree above the level of other nations the price of labour, and depress the value of silver below that level—the substance of the second ‘evil.’ This is in reality the definition of the commercial resources of one nation to struggle with another. We shall quote the remark of Mr. Malthus, to which we shall add one or two observations.

‘It is true, that during the last twenty years we have witnessed a very great increase of population and of our exported commodities, under a high price of corn and labour; but this must have happened in spite of these high prices, not in consequence of them; and is to be attributed chiefly to the unusual success of our inventions for saving labour, and the unusual monopoly of the commerce of Europe which has been thrown into our hands by the war. When these inventions spread, and Europe recovers in some degree her industry and capital, we may not find it so easy to support the competition. The more strongly the natural state of the country directs it to the purchase of foreign corn, the higher must be the protecting duty of the price of importation, in order to secure an independent supply; and the greater consequently will be the relative disadvantage which we shall suffer in our commerce with other countries. This drawback may it is certain, ultimately be so great as to counterbalance the effects of our extraordinary skill, capital, and machinery.’ pp. 37, 38.

In the first place, it has been demonstrated that the price of corn has an influence of *not* more than two fifths upon the price of labour. Now, it is probable that the price of corn for many years to come, will not much exceed 80 shillings—the limit above which importations are now proposed to be allowed—and which of course will prevent of itself a great excess. The equalized price has been fixed by Mr. Malthus at 55 shillings during the ‘most perfect freedom of exportation and importation.’ But no one supposes that

that freedom can last long, and it is fair logick to assume, that it will soon be disturbed. We therefore think that the equalized price ought to be adjusted higher than this, and a few calculations have satisfied us, that from the chances of wars, dearths, taxes, &c. the equalized price would be about 65 shillings, if not more. The labourer would therefore pay about 15 shillings more a quarter, which is one fifth, and one third of a fifth advance. The effect of this upon his wages is somewhat as follows :

The average wages are per day	-	-	-	30 pence.*
Of this 30 pence there are for				
corn, 2-5 equal to	-	-		12 pence.
Upon this 12 pence there is an				} 2 1-3 making the whole wages equal } 32 1-3 equal to about } to about
advance of 1-5 and a 1-3 of 1-5—				

which, if the exploded doctrine of A. Smith† could be true, would make an advance of about 8 per cent. upon the whole annual produce of Great Britain—a thing perfectly impossible from the obviously little effect labour has upon value—owing to the different value of the materials, the extent and perfection of machinery, &c. We do not give this hasty calculation as an anticipation of the effects of the Corn Laws ; for supposing that wages should rise in that proportion, a thing by no means to be expected in a country, demonstrated by Mr. Malthus‡ to have a surplus population even in time of war, we know that it cannot have a corresponding effect upon the price of commodities. But this result must be pernicious, though the lower classes will at first be benefitted by the Corn Laws from the great number of them employed in agriculture, who would certainly be left without employment, if the farmers should not be protected. It is to afford this argument, the only one of much moment against the Corn Laws, a short illustration, that we have been induced to lead our readers through this dry calculation.

In the second place,—the inference of Mr. Malthus is calculated for a state of universal peace. But we are afraid that he announces to us better tidings than the world has a right to expect. It would seem as if the eternal curse was

\* Sir F. M. Eden. This is a little higher perhaps than the average, but it is more convenient, and we wish to do full justice to the advanced price.

† Wealth of Nations, chap. v. b. iv.

‡ Essay on Population.

again gone abroad—‘and I will put enmity between his seed and thy seed; it shall bruise thy head, and thou shalt bruise his heel.’ On the tranquil shores of our country we fondly, but perhaps falsely, cherish the maxim, that we make war to obtain peace. But in Europe this humane principle unhappily appears to be reversed—they make peace to renew war. What if these mighty masters have removed, or enlarged, or narrowed the lines and boundaries of kingdoms? What if France is curbed within its ancient border, and Poland exalted to its ancient standing? They have not rooted out or softened away the black and bloody propensities of the human heart. The fiery and rancorous passions of revenge, jealousy and ambition still remain, and will it not hereafter be seen, that the subjugation of a powerful nation has made it regard with a deadly hate a large portion of Europe that before it only despised? We know that there is something like an air of ridicule in auguring the coming condition of the world either from the ‘signs of times’ past or present; for that surely must be beyond control and calculation, which has assumed the awful and mysterious marks of a terrific romance, and already passing the wildest starts of common chances, might justly be styled miraculous in the fearful confusion of good and evil which it has brought about, if we did not associate with that word something of a sacred and unerring import. At any rate there is a bitter consolation in recollecting, that the world has more than once before had a universal peace, and that the repose which the great powers of Europe obtained at the celebrated treaty of Utrecht was disturbed in four or five years by an open war of one of the contracting parties, and by jealousies, ‘quadruple alliances,’ and preparations for new wars among the rest. Upon the peace of Aix la Chapelle in 1748,\* Voltaire makes this remark, ‘ou voyoit entre toutes les nations une correspondance mutuelle; l’Europe ressembloit à une grande famille réunie après ses différens.’ But in 1755, ‘une légère querelle entre la France et l’Angleterre pour quelques terrains sauvages vers l’Acadie, inspira une nouvelle politique à tous les souverains de l’Europe.’ This was certainly a slight cause for dividing ‘la grande famille’ against itself; but it was the beginning of one of the most glorious wars, guided by the greatest minister which England ever

\* Siècle de Louis XV. chap. 31.

saw ;—and it has always been reckoned one of the principal causes in accelerating the downfall of the French monarchy.

In the third place, suppose a universal peace—we are inclined to believe that Great Britain was never better able to maintain a competition with the nations of the continent ; her machinery was never so perfect, her resources never more condensed ; her colonial possessions never better secured, and her credit never more undoubted in every part of the known world, though her national debt was never so great ; but is it greater now in proportion to the wealth of the nation, than when Mr. Hume made his unfortunate prophecy ? Let us take France—her manufactures were established by Colbert ;\*—he incorporated an East India Company, established the woollen manufactory—of glass, &c.—improved those of silk, &c. This was nearly a hundred and fifty years ago—and what are they now ? what competition can they bear with the English ? It is true the commercial industry of France has been checked by perpetual wars ; but lately a considerable impulse has been given to her manufactures from the continental system,—but we know at what price—besides, she may have wars again without continental systems.† From 1756 to 1788, the price of wheat in France was 25 shillings, in England during the same period 46. Very nearly the same proportion is now maintained ; France being 46, and England about 83. English manufactures flourished then. Why not now ? When wheat was at 73—taxes were 34,000,000*l.*‡ they are now above 60,000,000*l.* and it does not exceed upon an average 83*s.* On the other hand it should be considered, that the debts of the different nations cannot be very trifling§—the taxes necessary to be levied will impede the progress of wealth more than in the common proportion, as they have very small commercial or manufacturing funds to draw from—the machinery of every description is at least fifty years behind Great Britain—the more capital they devote to manufactures, the higher of course will be the price of corn. But above all,

\* Minutes of Evidence. † Siècle de Louis XIV. chap. xxix. ‡ Ibid. 29.

§ We have seen no statement of the debts of Prussia, Austria, Russia, and others ; but by the exposé of the abbe Montesquieu, of July 13, 1814, it appears, that the total of anticipations and misapplications of funds by the old government of France, is 1,305,462,000 francs.

the greatest security Great Britain has against competition is the almost total absence of capital on the continent, and the want not only of credit and money resources, but the whole '*matériel*' of machinery, of commerce, manufactures and agriculture is greatly diminished.

The few last pages of this pamphlet are occupied with some remarks upon the currency, which do not materially affect the question. We shall therefore relieve the reader from these observations, already so much extended, by a short extract, confirming the opinion which Mr. Malthus has more decidedly expressed in his *Essay on Population*, chap. 10.

'In the present state of things then we must necessarily give up the idea of creating a large average surplus. And yet very high duties upon importation, operating alone, are peculiarly liable to occasion great fluctuations of price. It has been already stated, that after they have succeeded in producing an independent supply by steady high prices, an abundant crop which cannot be relieved by exportation, must occasion a very sudden fall.\* Should this continue a second or third year, it would unquestionably discourage cultivation, and the country would again become partially dependent. The necessity of importing foreign corn would of course again raise the price to the price of importation, and the same causes might make a similar fall and a subsequent rise recur; and thus prices would tend to vibrate between the high prices occasioned by the high duties on importation, and the low prices occasioned by a glut which could not be relieved by exportation.

'It is under these difficulties that the parliament is called upon to legislate. On account of the deliberation which the subject naturally requires, but more particularly on account of the present uncertain state of the currency, it would be desirable to delay any final regulation. Should it however be determined to proceed *immediately* to a revision of the present laws, in order to render them more efficacious, there would be some obvious advantages, both as a temporary and permanent measure, in giving to the restrictions the form of a constant duty upon foreign corn, not to act as a prohibition, but as a protecting, and at the

\* 'The sudden fall of the price of corn this year seems to be a case precisely in point. It should be recollected however that quantity always in some degree balances cheapness.'

‘same time, profitable tax. And with a view to prevent  
‘the great fall that might be occasioned by a glut, under  
‘the circumstances before adverted to, but not to create an  
‘average surplus, the old bounty might be continued, and  
‘allowed to operate in the same way as the duty at all  
‘times, except in extreme cases.’ pp. 45, 46.

Upon the whole then we must coincide in the opinion of Mr. Malthus. As a principle, we are heart and hand opposed to any interference of the legislature in the direction of capitals, and we hope the mischief which has arisen from some attempts, will prevent a recurrence to them in this country. But we have shown that legislators in England have for many years assumed the privilege of intermeddling in the concerns of the merchant and manufacturer, and that they have occasionally taken under their powerful patronage the agricultural interest. We therefore confess that the impression upon our minds is, that those English statesmen are in the right who think that this is *not* the moment when they ought to stop.

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*A Statement of the Arts and Manufactures of the United States of America, for the year 1810. Digested and prepared by Tench Coxe, Esquire, of Philadelphia. Philadelphia, A. Cornan, jr. 1814, 4to.*

THE subject of manufactures, it might well be thought on a first view, would always be treated as a matter of calculation, and calm deliberate reasoning, yet like all others subject to human restriction, it has been most frequently involved in passion and prejudice. Political animosities, financial wants, local combinations, narrow views, or impracticable theories, have often destroyed old, and prevented the success of new establishments. And if in the United States, fewer blunders have been committed than in most other countries, there are too many facts to shew, that this has been more owing to the liberal, unshackled, beneficent spirit of our institutions, than to the peculiar sagacity, or prospective wisdom of those, by whom the regulations in regard to the manufacturing system are controlled.

It is one of the most difficult and complicated questions of political economy, to decide when, and to what extent, legislative interference is expedient; in almost all cases it